

## HOUSE JOINT RESOLUTION NO. 9

INTRODUCED BY M. LINDEEN

A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA URGING CONGRESS TO BRING ~~EQUAL~~ EQUITABLE FUNDING OF HEALTH CARE SERVICES AND BENEFITS TO ALL MEDICARE RECIPIENTS, REGARDLESS OF WHERE THEY LIVE.

WHEREAS, Medicare, the nation's largest health insurance program serving approximately 39 million elderly and disabled Americans, was enacted in 1965 as a uniform, nondiscriminatory, nationwide program based on a 1.45% payroll tax for the provision of a standardized package of health benefits to beneficiaries, regardless of where they resided; and

WHEREAS, since 1984, Medicare beneficiaries have been able to join health maintenance organizations, and in 1997, Congress created Medicare + Choice that consisted of private risk-based plans, mostly managed care organizations, and these different programs use a different reimbursement formula than the other two Medicare plans that varies substantially depending on the county and the state in which a beneficiary resides; and

WHEREAS, the Medicare + Choice managed care reimbursement formula is based on historical costs within each county, and plans are operated by different private entities, resulting in a reimbursement rate in 1999 of \$676.64 in Broward County, Florida, and a rate of only \$360 in Stillwater County, Montana; a senior citizen participating in a Medicare-managed care health plan in Broward County pays no annual premium, no copayment for visiting a doctor, and nothing for prescription drug coverage; by contrast, a Montana senior citizen enrolled in a Medicare-managed care plan pays an annual premium of \$480, incurs a \$10 copayment for each doctor visit, and incurs out-of-pocket costs for prescription drugs, and in many areas, and a Medicare-managed care program is not even available;

WHEREAS, St. Vincent Hospital in Billings chose to discontinue participation in its GoldChoice Medicare + Choice health maintenance organization medical plan because the federal government failed to provide annual increases in payments and because of Montana's rural nature and the Medicare reimbursement system, which resulted in inadequate funding and the hospital losing at least \$2.5 million; and

WHEREAS, a similar situation exists in the State of Minnesota in which its citizens are not receiving

1 equal funding, and Minnesota Attorney General Mike Hatch and the Minnesota Senior Federation have filed  
2 suit against the United States of America and Donna E. Shalala, Secretary of Health and Human Services,  
3 in order to bring about change in the present funding system to ensure ~~equal~~ EQUITABLE funding to all  
4 Medicare recipients. A federal judge has ruled that this situation is wrong and unfair but that it is  
5 Congress's role to change it, not the courts.

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7 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE  
8 STATE OF MONTANA:

9 That Congress BE REQUESTED TO bring ~~equal~~ EQUITABLE funding of health care services and benefits  
10 to all Medicare recipients, regardless of where they live, to allow citizens in rural states the same health  
11 benefits.

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